



UNITED STATES DISTRICT COURT

FOR THE CENTRAL DISTRICT OF CALIFORNIA

January 2025 Grand Jury

UNITED STATES OF AMERICA,

CR 2:25-cr-00576-FMO

Plaintiff,

I N D I C T M E N T

v.

[18 U.S.C. § 1349: Conspiracy to Commit Wire Fraud; 18 U.S.C. § 1343: Wire Fraud; 18 U.S.C. § 1956(a)(1)(B)(i): Concealment Money Laundering; 18 U.S.C. § 3147: Commission of Offense While on Release; 18 U.S.C. § 982: Criminal Forfeiture]

PAUL RICHARD RANDALL,

Defendant.

The Grand Jury charges:

COUNT ONE

[18 U.S.C. §§ 1349, 3147]

A. INTRODUCTORY ALLEGATIONS

At times relevant to this Indictment:

Defendant and Relevant Individuals and Entities

1. Defendant PAUL RICHARD RANDALL was a patient marketer from Orange, California, who purported to work for Company 1.

2. Company 1 was a California corporation purportedly owned by a person ("Individual 1") who worked with defendant RANDALL.

1       3. Defendant RANDALL controlled SoCal Family Irrevocable Trust  
2 ("SoCal Trust"), a trust established for defendant RANDALL's benefit.  
3 SoCal Trust held accounts at Wells Fargo Bank, Bank of America, and  
4 Wells Fargo Advisors on which another individual ("Individual 2") was  
5 the signatory (collectively, the "RANDALL Trust Accounts"). One of  
6 the RANDALL Trust Accounts was an account at Wells Fargo Bank ending  
7 in x9463 in the name of SoCal Trust (the "SoCal Trust Wells Fargo  
8 Account"). Defendant RANDALL directed Individual 2 regarding the  
9 distribution of funds from the RANDALL Trust Accounts.

10      4. Kyrollos Mekail owned, operated, and was the Pharmacist-in-  
11 Charge for MONTE VP LLC d/b/a Monte Vista Pharmacy ("Monte Vista"), a  
12 pharmacy located at 9635 Monte Vista Avenue, Suite 202, Montclair,  
13 California 91763. Mekail controlled checking accounts in the name of  
14 Monte Vista at Wells Fargo Bank, including an account ending in x5190  
15 (the "Monte Vista Wells Fargo Account"), and Bank of America.

16      5. Monte Vista submitted claims for reimbursement for  
17 prescriptions through PioneerRx software. PioneerRx used servers  
18 located outside the state of California to submit claims to Medicaid  
19 of California.

20      6. Patricia Anderson was a Nurse Practitioner who lived in  
21 West Hills, California, and had an office in Calabasas, California.  
22 Defendant RANDALL recruited Anderson to work for Company 1 and caused  
23 Anderson to be paid for her work for Company 1.

24      Medi-Cal Program

25      7. Medicaid of California ("Medi-Cal") was a health care  
26 benefit program, affecting commerce, that provided reimbursement for  
27 medically necessary health care services for low-income individuals  
28 including families with children, seniors, persons with disabilities,

1 individuals in foster care, pregnant women, and low-income  
2 individuals with certain diseases such as tuberculosis, breast  
3 cancer, or HIV/AIDS. Funding for Medi-Cal was shared between the  
4 federal government and the State of California. Individuals who  
5 qualified for Medi-Cal benefits were referred to as "beneficiaries."

6 8. Health care providers, including pharmacies, could receive  
7 direct reimbursement from Medi-Cal by applying to Medi-Cal and  
8 receiving a Medi-Cal provider number. Medi-Cal reimbursed health  
9 care providers for medically necessary treatment and services  
10 rendered to Medi-Cal beneficiaries.

11 9. To obtain payment for services, an enrolled provider, using  
12 its unique provider number, submitted claims to Medi-Cal certifying  
13 that the information on the claim form was truthful and accurate and  
14 that the services provided were reasonable and necessary to the  
15 health of the Medi-Cal beneficiary.

16 10. Medi-Cal was a "health care benefit program," as defined by  
17 Title 18, United States Code, Section 24(b), and a "Federal health  
18 care program," as defined by Title 42, United States Code, Section  
19 1320a-7b(f).

20 11. Monte Vista was a Medi-Cal provider.

21 Medi-Cal Program's Temporary Prior Authorization Suspension

22 12. Medi-Cal at times required that providers obtain "prior  
23 authorization" before providing certain health care services or  
24 medications as a condition of reimbursement to ensure the health care  
25 service or medication was medically necessary and otherwise covered.

26 13. As a condition of reimbursement, Medi-Cal traditionally  
27 required prior authorization for an array of medications, including  
28 medications that contained cheap, generic ingredients but were

1 manufactured in unique dosages, combinations, or package quantities,  
2 and were not included in the applicable maximum price lists that  
3 capped Medi-Cal reimbursements ("non-contracted, generic drugs").  
4 However, Medi-Cal temporarily suspended prior authorization  
5 requirements for most prescription medications at the beginning of  
6 2022 in connection with an ongoing transition of Medi-Cal's  
7 prescription drug program from managed care to fee-for-service,  
8 referred to as "Medi-Cal Rx." In or around February 2022, Medi-Cal  
9 notified providers of the change in prior authorization requirements,  
10 which was made retroactive to in or around January 2022.

11 B. OBJECT OF THE CONSPIRACY

12 14. Beginning in or around May 2022, and continuing through at  
13 least in or around April 2023, in Los Angeles, San Bernardino, and  
14 Orange Counties, within the Central District of California, and  
15 elsewhere, defendant RANDALL knowingly conspired with Mekail,  
16 Anderson, and others known and unknown to the Grand Jury to commit  
17 wire fraud, in violation of Title 18, United States Code, Section  
18 1343.

19 C. MANNER AND MEANS OF THE CONSPIRACY

20 15. The object of the conspiracy was carried out, and was to be  
21 carried out, in substance, as follows:

22 a. Defendant RANDALL, through Company 1, paid illegal  
23 kickbacks and bribes to patient marketers in exchange for the  
24 marketers providing defendant RANDALL with names and personal  
25 identifying information for Medi-Cal beneficiaries.

26 b. Following Medi-Cal's suspension of prior authorization  
27 requirements in February 2022, defendant RANDALL and Mekail agreed  
28 that defendant RANDALL would refer prescriptions for certain

1 expensive, non-contracted, generic drugs (the "Fraud Scheme  
2 Medications") to Monte Vista so that Monte Vista could submit claims  
3 to Medi-Cal for the Fraud Scheme Medications. The Fraud Scheme  
4 Medications included: Chlorzoxazone 375 mg tablet; Crotan 10% lotion;  
5 DermacinRx Lidogel 2.8% gel; Diclofenac 2% solution pump; Fenoprofen  
6 400 mg capsule; Folite tablet; Indocin 50 mg suppository; Lidocaine-  
7 Prilocaine 2.5%-2.5% cream; Lidocort 3%-0.5% cream; Lidotral 3.88%  
8 cream; Lofena 25 mg tablet; Meloxicam 5 mg capsule; Naftifine HCL 1%  
9 cream; Naproxen-Esomeprazole DR 375-20 mg tablet; Norgesic Forte 50-  
10 770-60 mg tablet; Omeprazole-Sodium Bicarbonate 20-1,680 packet;  
11 Oxiconazole Nitrate 1% cream; Synoflex 4%-5% patch, and DermacinRx  
12 Prenatrix Caplet.

13 c. Through the payment of illegal kickbacks and bribes to  
14 marketers, defendant RANDALL would obtain patient lists for Company 1  
15 to refer to Monte Vista to bill Medi-Cal for the Fraud Scheme  
16 Medications.

17 d. Defendant RANDALL would offer and pay illegal  
18 kickbacks and bribes to Anderson to work for Company 1 and sign  
19 prescriptions for the Fraud Scheme Medications. To conceal the  
20 nature of his kickback arrangement with Anderson, defendant RANDALL  
21 caused Anderson to enter into sham contracts and agreements,  
22 including a contract dated June 1, 2022, which stated that purported  
23 Company 1 would pay Anderson a monthly fee of \$25,000 in exchange for  
24 various clinical duties. In reality, Anderson was paid illegal  
25 kickbacks and bribes for signing prescriptions for the Fraud Scheme  
26 Medications and not the purported clinical duties described in the  
27 contract. In reality, Anderson did not perform any of the clinical  
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1 duties set forth in the contract other than signing prescriptions for  
2 the Fraud Scheme Medications.

3 e. Defendant RANDALL and others working for Company 1  
4 would provide Anderson with pre-filled prescriptions for the Fraud  
5 Scheme Medications with the names and personal identifying  
6 information of Medi-Cal beneficiaries. From Anderson's office and in  
7 exchange for kickbacks from defendant RANDALL, Anderson would sign  
8 the prescriptions for the Fraud Scheme Medications for those Medi-Cal  
9 beneficiaries without Anderson ever meeting the beneficiaries,  
10 reviewing the beneficiaries' medical records, or otherwise  
11 determining that the drugs prescribed were medically necessary.

12 f. Anderson would then send or cause others at Company 1  
13 to send the prescriptions for the Medi-Cal beneficiaries to Monte  
14 Vista. Defendant RANDALL knew that the prescriptions that Company 1  
15 referred to Monte Vista for the Fraud Scheme Medications were  
16 medically unnecessary and were procured through the payment of  
17 illegal kickbacks and bribes.

18 g. Monte Vista would then submit false and fraudulent  
19 claims to Medi-Cal for purportedly dispensing the Fraud Scheme  
20 Medications.

21 h. In return for providing Monte Vista with the  
22 prescriptions for the Fraud Scheme Medications, defendant RANDALL  
23 would receive an illegal kickback and bribe in the form of a portion  
24 of Medi-Cal's reimbursements to Monte Vista for the Fraud Scheme  
25 Medications referred by RANDALL. At times, defendant RANDALL's  
26 payments would equal approximately 40 percent of Monte Vista's profit  
27 from the fraudulent claims associated with prescriptions defendant  
28 RANDALL referred.

1                   i. Defendant RANDALL would conceal and disguise the  
2 scheme, including by receiving the payments in the form of checks  
3 issued by Monte Vista and payable to the RANDALL Trust Accounts,  
4 often with false check memo lines suggesting the payments were for  
5 "consulting service[s]" at defendant RANDALL's direction, so as to  
6 disguise the nature, ownership, and control of the kickback payments.  
7 Between approximately May 16, 2022, and November 14, 2023, Mekail and  
8 his family members paid defendant RANDALL at least approximately  
9 \$32 million in fraud scheme proceeds.

10                  j. Defendant RANDALL in turn would use the fraud scheme  
11 proceeds to help purchase items such as sports memorabilia, jewelry,  
12 and real property. Defendant RANDALL would also use the fraud scheme  
13 proceeds to pay and cause to be paid kickbacks to Anderson in return  
14 for the Fraud Scheme Medication prescriptions Anderson signed.  
15 Defendant RANDALL paid and caused to be paid the kickbacks to  
16 Anderson through payments from Individual 1 and others in the form of  
17 checks, wire transfers, and digital money transfers from the RANDALL  
18 Trust Accounts, accounts held by Individual 1, or accounts held by  
19 Individual 1's law firm to a bank account controlled by Anderson. In  
20 total, defendant RANDALL would pay and cause to be paid Anderson  
21 approximately \$285,500 in illegal kickbacks and bribes. Defendant  
22 RANDALL knew that it was illegal to pay kickback payments to a  
23 medical provider in exchange for prescribing medications to be  
24 reimbursed by Medi-Cal, a federal health care program.

25                  k. Defendant RANDALL would transfer and cause the  
26 transfer of the Medi-Cal fraud scheme proceeds to accounts held by  
27 Individual 1 and others in order to conceal the nature, location,  
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1 source ownership, and control of the fraudulently obtained proceeds,  
2 as well as to pay kickbacks to Anderson.

3       16. Pursuant to the conspiracy, from in or around May 2022 to  
4 in or around April 2023, defendant RANDALL, along with Mekail,  
5 Anderson, and others known and unknown to the Grand Jury, through  
6 interstate wire transmissions, submitted and caused to be submitted  
7 at least approximately \$269,130,829 in false and fraudulent claims to  
8 Medi-Cal for purportedly dispensing the Fraud Scheme Medications, on  
9 which claims Medi-Cal paid at least approximately \$178,746,556.

10      17. Defendant RANDALL committed this offense while released  
11 under Title 18, United States Code, Chapter 207, in United States v.  
12 Paul Richard Randall, No. CR 20-00031-GW.

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1 COUNTS TWO AND THREE

2 [18 U.S.C. §§ 1343, 2, 3147]

3 18. The Grand Jury realleges paragraphs 1 through 13 and 15  
4 through 16 of this Indictment here.

5 A. THE SCHEME TO DEFRAUD

6 19. Beginning in or around May 2022, and continuing through at  
7 least in or around April 2023, in Los Angeles, San Bernardino, and  
8 Orange Counties, within the Central District of California, and  
9 elsewhere, defendant RANDALL, together with Mekail, Anderson, and  
10 others known and unknown to the Grand Jury, each aiding and abetting  
11 the others, knowingly and with intent to defraud, devised,  
12 participated in, and executed a scheme to defraud Medi-Cal and to  
13 obtain money and property from Medi-Cal by means of material false  
14 and fraudulent pretenses, representations, and promises, and the  
15 concealment of material facts.

16 20. The fraudulent scheme operated, in substance, as described  
17 in paragraph 15 of this Indictment.

18 B. USE OF THE WIRES

19 21. On or about the dates set forth below, within the Central  
20 District of California, and elsewhere, defendant RANDALL, together  
21 with Mekail, Anderson, and others known and unknown to the Grand  
22 Jury, each aiding and abetting the others, for the purpose of  
23 executing the above-described scheme to defraud, transmitted and  
24 caused the transmission of the following items by means of wire  
25 communications in interstate commerce:

COUNT	DATE	INTERSTATE WIRE TRANSMISSION
TWO	10/11/2022	Submission of claim number 51250479201 in the approximate amount of \$13,424.45 for Meloxicam 5 mg capsule for beneficiary K.R. from Monte Vista in California to Medi-Cal via a PioneerRx server outside the state of California.
THREE	10/13/2022	Submission of claim number 51374695801 in the approximate amount of \$8,371.31 for Lofena 25 mg tablet for beneficiary K.R. from Monte Vista in California to Medi-Cal via a PioneerRx server outside the state of California.

22. Defendant RANDALL committed these offenses while released under Title 18, United States Code, Chapter 207, in United States v. Paul Richard Randall, No. CR 20-00031-GW.

1 COUNTS FOUR THROUGH SIX

2 [18 U.S.C. §§ 1956(a)(1)(B)(i), 2, 3147]

3 23. The Grand Jury realleges paragraphs 1 through 13, 15  
4 through 16, and 21 of this Indictment here.

5 24. On or about the dates set for below, in Orange County,  
6 within the Central District of California, and elsewhere, defendant  
7 RANDALL, together with others known and unknown to the Grand Jury,  
8 each aiding and abetting one another, knowingly conducted, and  
9 willfully caused others to conduct, the following financial  
10 transactions affecting interstate commerce, involving the proceeds of  
11 specified unlawful activity, that is, wire fraud, in violation of  
12 Title 18, United States Code, Section 1343, knowing that property  
13 involved in such financial transactions represented the proceeds of  
14 some form of unlawful activity and knowing that the financial  
15 transactions were designed in whole and in part to conceal and  
16 disguise the nature, location, source, ownership, and control of such  
17 proceeds:

COUNT	DATE	TRANSACTION
FOUR	11/29/2022	Transfer of approximately \$1,124,516.56 from the Monte Vista Wells Fargo Account by means of check #1041 with the memo line "consulting service" into the SoCal Trust Wells Fargo Account
FIVE	11/30/2022	Transfer of approximately \$1,345,456 from the Monte Vista Wells Fargo Account by means of check #1028 with the memo line "consulting service" into the SoCal Trust Wells Fargo Account
SIX	12/5/2022	Transfer of approximately \$1,348,174.35 from the Monte Vista Wells Fargo Account by means of check #1051 with the memo line "consulting service" into the SoCal Trust Wells Fargo Account

1       25. Defendant RANDALL committed these offenses while released  
2 under Title 18, United States Code, Chapter 207, in United States v.  
3 Paul Richard Randall, No. CR 20-00031-GW.

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1 FORFEITURE ALLEGATION ONE

2 [18 U.S.C. § 982]

3 1. Pursuant to Rule 32.2(a), Fed. R. Crim. P., notice is  
4 hereby given that the United States will seek forfeiture as part of  
5 any sentence, pursuant to Title 18, United States Code, Section  
6 982(a)(7), in the event of the defendant's conviction of the offenses  
7 set forth in any of Counts One through Three of this Indictment.

8 2. The defendant, if so convicted, shall forfeit to the United  
9 States of America the following:

10 a. All right, title, and interest in any and all  
11 property, real or personal, that constitutes or is derived, directly  
12 or indirectly, from the gross proceeds traceable to the commission of  
13 any offense of conviction, including but not limited to:

14 (i) The real property located at 25076 Acacia Lane,  
15 #83, Laguna Hills CA 92653, APN: 933-89-083;

16 (ii) The real property located at 23 Opera Ln., Aliso  
17 Viejo, CA 92656, APN:930-656-67;

18 (iii) The real property located at 4682 Warner  
19 Ave., #B304, Huntington Beach CA 92649, APN:939-540-58;

20 (iv) The real property located at 379 23rd Street,  
21 Newport Beach CA 92660, APN:426-091-58;

22 (v) The real property located at 400 W. Ocean, #2103,  
23 Long Beach CA 90802, APN:7278-004-117;

24 (vi) The real property located at 131 Montara Drive,  
25 Aliso Viejo, CA 92656, APN:934-507-65; and

26 (vii) The real property located at 7418 E.  
27 Grovewood Ave, Orange, CA 92869, APN:093-270-63; and

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(b) To the extent such property is not available for forfeiture, a sum of money equal to the total value of the property described in subparagraph (a).

3. Pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982(b), the defendant, if so convicted, shall forfeit substitute property, up to the total value of the property described in the preceding paragraph if, as a result of any act or omission of said defendant, the property described in the preceding paragraph, or any portion thereof (a) cannot be located upon the exercise of due diligence; (b) has been transferred, sold to or deposited with a third party; (c) has been placed beyond the jurisdiction of the Court; (d) has been substantially diminished in value; or (e) has been commingled with other property that cannot be divided without difficulty.

1 FORFEITURE ALLEGATION TWO

2 [18 U.S.C. § 982]

3 1. Pursuant to Rule 32.2(a) of the Federal Rules of Criminal  
4 Procedure, notice is hereby given that the United States will seek  
5 forfeiture as part of any sentence, pursuant to Title 18, United  
6 States Code, Section 982(a)(1), in the event of the defendant's  
7 conviction of the offenses set forth in any of Counts Four through  
8 Six of this Indictment.

9 2. The defendant, if so convicted, shall forfeit to the United  
10 States of America the following:

11 b. Any property, real or personal, involved in such  
12 offense, and any property traceable to such property, including but  
13 not limited to:

14 (i) The real property located at 25076 Acacia Lane,  
15 #83, Laguna Hills CA 92653, APN: 933-89-083;

16 (ii) The real property located at 23 Opera Ln., Aliso  
17 Viejo, CA 92656, APN:930-656-67;

18 (iii) The real property located at 4682 Warner  
19 Ave., #B304, Huntington Beach CA 92649, APN:939-540-58;

20 (iv) The real property located at 379 23rd Street,  
21 Newport Beach CA 92660, APN:426-091-58;

22 (v) The real property located at 400 W. Ocean, #2103,  
23 Long Beach CA 90802, APN:7278-004-117;

24 (vi) The real property located at 131 Montara Drive,  
25 Aliso Viejo, CA 92656, APN:934-507-65; and

26 (vii) The real property located at 7418 E.  
27 Grovewood Ave, Orange, CA 92869, APN:093-270-63; and

28 //

(b) To the extent such property is not available for forfeiture, a sum of money equal to the total value of the property described in subparagraph (a).

3. Pursuant to Title 21, United States Code, Section 853(p), as  
incorporated by Title 18, United States Code, Section 982(b)(1), and  
Title 18, United States Code, Section 982(b)(2), the defendant, if so  
convicted, shall forfeit substitute property, if, by any act or  
omission of the defendant, the property described in the preceding  
paragraph, or any portion thereof: (a) cannot be located upon the  
exercise of due diligence; (b) has been transferred, sold to, or  
deposited with a third party; (c) has been placed beyond the  
jurisdiction of the court; (d) has been substantially diminished in  
value; or (e) has been commingled with other property that cannot be  
divided without difficulty. Substitution of assets shall not be  
ordered, however, where the convicted defendant acted merely as an  
intermediary who handled but did not retain the property in the  
course of the money laundering offense unless the defendant, in  
committing the offense or offenses giving rise to the forfeiture,

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1 conducted three or more separate transactions involving a total of  
2 \$100,000.00 or more in any twelve-month period.

3  
4 A TRUE BILL  
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8 /S/  
9 Foreperson

10 BILAL A. ESSAYLI  
11 United States Attorney

12 *Christina Shay*

13 CHRISTINA T. SHAY  
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15 Chief, Criminal Division

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22 LORINDA LARYEA  
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24 United States Department of Justice

25 NIALL M. O'DONNELL  
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27 United States Department of Justice

28 SIOBHAN M. NAMAZI  
Trial Attorney, Fraud Section  
United States Department of Justice